

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

Case No. 17-BK-3283 (LTS)

Jointly Administered

**SUPPLEMENTAL VERIFIED STATEMENT OF THE PBA FUNDS
PURSUANT TO FEDERAL RULE OF BANKRUPTCY PROCEDURE 2019**

Pursuant to Rule 2019 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), made applicable to these Title III cases by Section 310 of the Puerto Rico Oversight, Management, and Economic Stability Act (“PROMESA”), 48 U.S.C. § 2170, and in accordance with the *Order Further Amending Case Management Procedures* [ECF No. 1512], this supplemental verified statement (this “Supplemental Statement”) is hereby submitted by an ad hoc group of certain unaffiliated funds, accounts, and/or managers of funds or accounts (collectively, the “PBA Funds”) holding Government Facilities Revenue Bonds and Government Facilities Revenue Refunding Bonds issued by the Puerto Rico Public Buildings Authority (“PBA”) and guaranteed by the Commonwealth of Puerto Rico (the “Commonwealth”) (collectively, the “PBA Bonds” and, together with all other bonds issued or guaranteed by the

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283-LTS) (3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284-LTS) (8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567-LTS) (3808); and (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566-LTS) (9686).

Commonwealth, the “Constitutional Debt”). In support of this Supplemental Statement, the PBA Funds respectfully state as follows:

1. On or around July 1, 2017, the PBA Funds retained Morrison & Foerster LLP (“Morrison & Foerster”). In October 2017 the PBA Funds retained G. Carlo-Altieri Law Offices, LLC (“G. Carlo-Altieri”) as Puerto Rico counsel (together with Morrison & Foerster, “Counsel”).

2. On November 3, 2017, Counsel to the PBA Funds submitted the *Verified Statement of the PBA Funds Pursuant to Federal Rule of Bankruptcy Procedure 2019* [ECF No. 1614]. Counsel to the PBA Funds submits this Supplemental Statement to update the membership in the PBA Funds and information regarding the disclosable economic interests currently held by members of the PBA Funds in conjunction with the filing of the *Motion of the PBA Funds for the Payment of Rent* [ECF No. 2492].

3. The members of the PBA Funds hold disclosable economic interests or act as investment managers or advisors (or are affiliates of entities which act as investment managers or advisors) to funds and/or accounts that hold disclosable economic interests in relation to the certain of the Debtors. Based upon information provided to Counsel by the members of the PBA Funds, attached hereto as Exhibit A is a list of the names, addresses, nature, and amount of disclosable economic interests of each member of the PBA Funds as of February 13, 2018, in accordance with Bankruptcy Rule 2019.

4. As of the date of this Supplemental Statement, Counsel represents only the PBA Funds in connection with these Title III cases and does not represent or purport to represent any entity or entities other than the PBA Funds in connection with these Title III cases.²

² G. Carlo-Altieri has been retained by (i) a provider of utility services to the Commonwealth and/or its related instrumentalities and public corporations and (ii) a corporation and its related entities holding potential claims

5. Nothing contained in this Supplemental Statement (or Exhibit A hereto) should be construed as a limitation upon, or waiver of, any rights of any member of the PBA Funds to assert, file, and/or amend any claim or proof of claim filed in accordance with applicable law and any orders entered in these cases.

6. Counsel reserves the right to amend this Supplemental Statement as necessary in accordance with the requirements set forth in Bankruptcy Rule 2019.

[Signature page follows]

against HTA and the Commonwealth and/or its related instrumentalities and public corporations. While G. Carlo-Altieri has advised these clients with respect to the Commonwealth's restructuring generally, G. Carlo-Altieri has not represented or taken a position before the Court in these Title III cases on behalf of any entities other than the PBA Funds.

Dated: February 15, 2018

By: /s/ Gerardo A. Carlo

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-and-

By: /s/ Gary S. Lee

Gary S. Lee

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Counsel for the PBA Funds

Exhibit A

Names, Addresses and Disclosable Economic Interests of the PBA Funds¹

<u>Name of Creditor²</u>	<u>Address</u>	<u>Nature and Amount of Disclosable Economic Interest</u>
Candlewood Investment Group, LP	777 Third Avenue Suite 19B New York, NY 10017	<u>Constitutional Debt</u> \$122,901,000
Fir Tree Partners	55 West 46th Street 29th Floor New York, NY 10036	<u>Constitutional Debt</u> \$611,895,000
Inglesea Capital LLC	7800 SW 57th Avenue Unit 308 South Miami, FL 33143	<u>Constitutional Debt</u> \$11,545,000

¹ To the best of Counsel's knowledge, the information included herein is accurate as of February 13, 2018. The amounts set forth herein include only outstanding principal and do not include any other amounts that may be due and owing under the applicable debt documents and laws, including but not limited to any overdue or compounded interest.

² Each entity on this Exhibit A holds disclosable economic interests or acts as investment manager or advisor (or is an affiliate of entities which act as investment manager or advisors) to funds and/or accounts that hold disclosable economic interests in relation to the Debtors.